

# Positioning food & beverage to increase profits

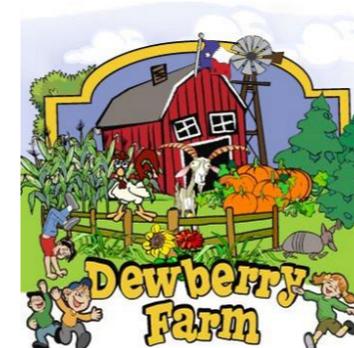
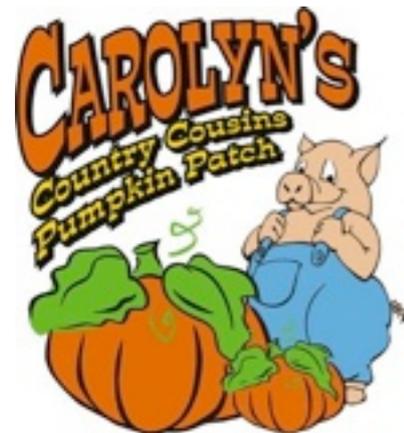
February 5, 2018

*Randy White*, CEO

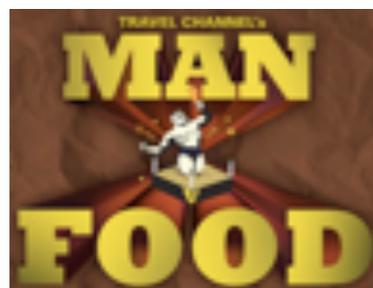
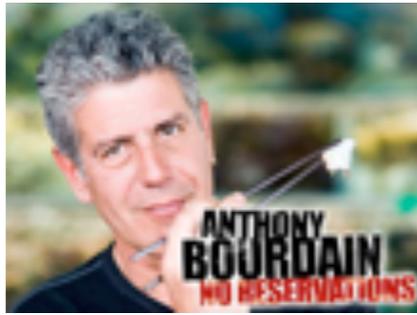
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# A Few of our Agritainment/Agri-tourism Clients



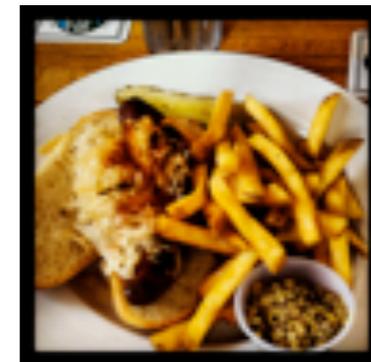
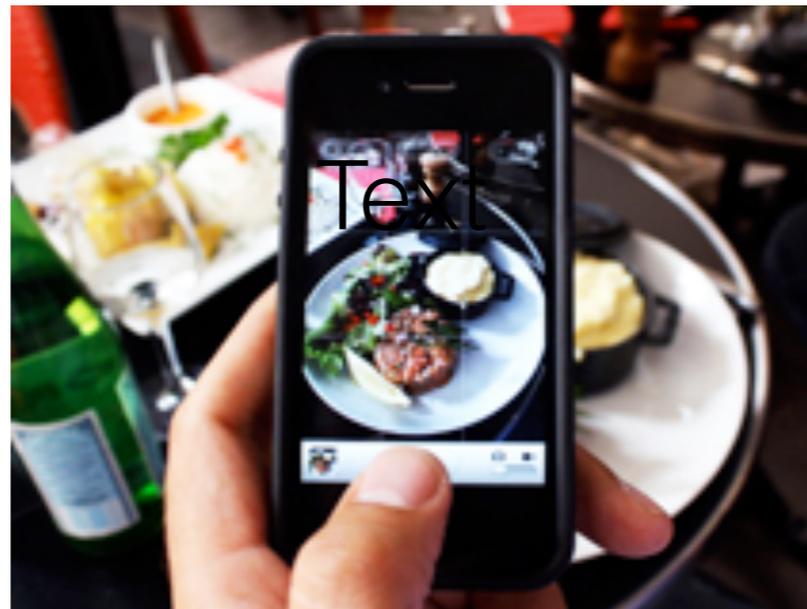
# 800 TV & internet cooking shows in U.S.



# Foodie Nation



Instagram



# 3/4's of American adults self-identify as foodies

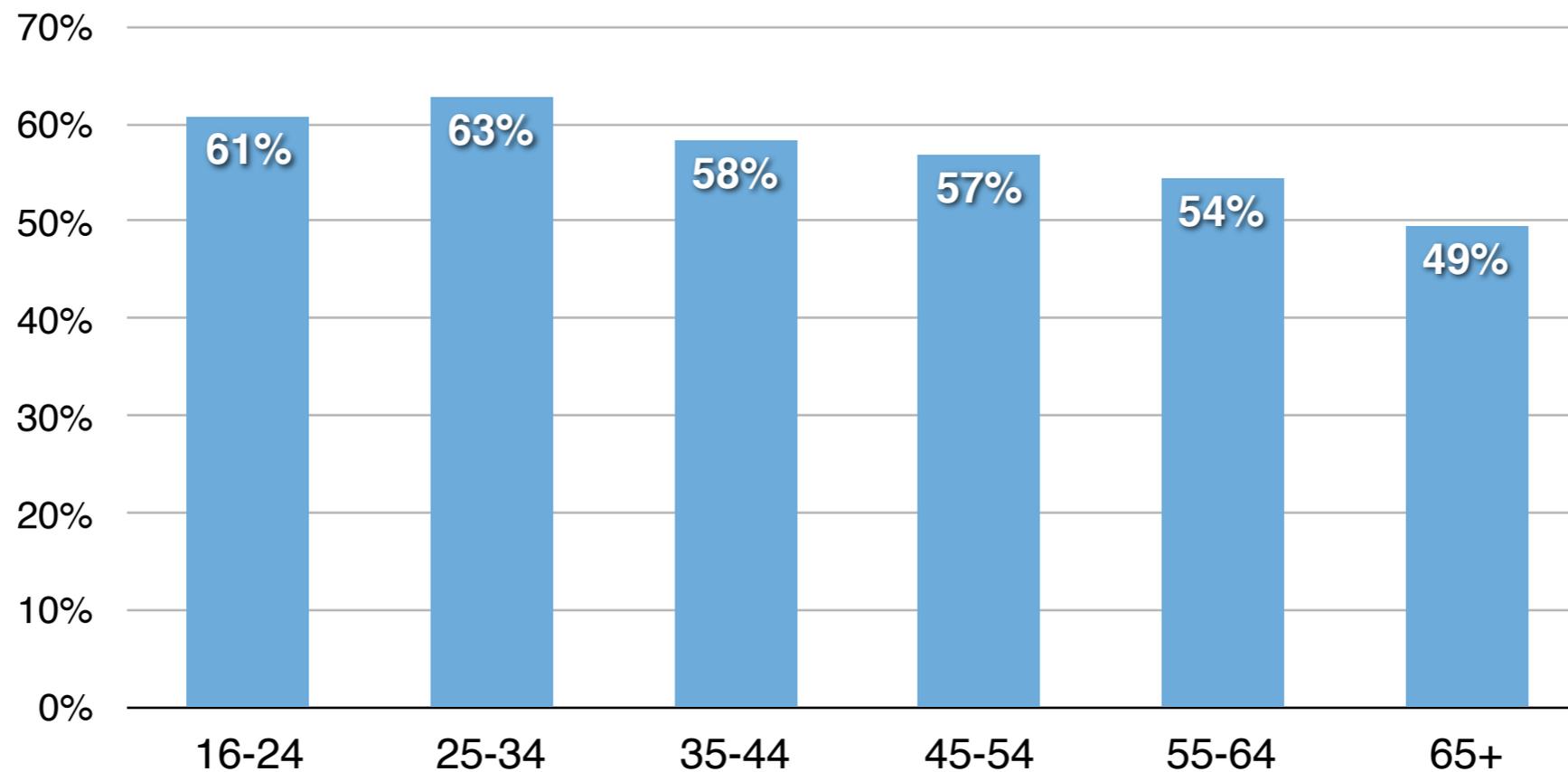


Instagram

A **foodie** is a person who has an ardent or refined interest in food and beverages. A foodie seeks new food experiences as a hobby rather than simply eating out for convenience or hunger.

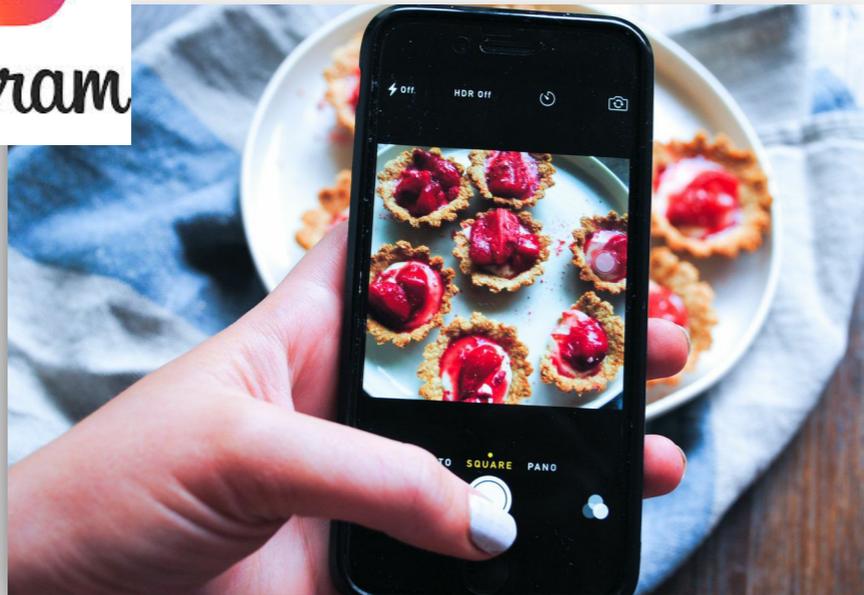
# Culinary discovery & adventure

Eating is an adventure: people like to try new foods they've never eaten before (% agree/strongly agree by age group)



Source: U.S. Food Innovations-CPG, Retail, Out-of-Home and Leisure, 2014





SUITE 2, NORTH RESIDENCE, USJ CT 04117 TEL: 07715923186 EMAIL: SMCVEIGH@USJ.EDU  
**SINEAD MCVEIGH**

A highly motivated law student with an inherent interest in pursuing a career in commercial law.

**Education History:**

- Currently completing Study USA programme at the University of St Joseph CT
- Will graduate with a law degree from Queens University Belfast in 2018
- St Michael's Grammar School 2010-2014

**Employment History:**

- **August 2013 – August 2016:** Part-time Sales Assistant Poundstretcher. In this job I undertook numerous roles, including merchandising, stock control, and customer service. I supervised other workers and improved my leadership skills. My communication skills were developed in this post, as I had to interact with both customers and other staff. This position was headed by a manager who provided me with time management to a great degree, and I improved my ability to manage my own time.

**Experience:**

- **Mills Seligvacation scheme 2014** - I shadowed several lawyers for a week to the High Courts, sitting in on consultations with judges, reading over case files and completing basic paperwork. This provided me with an insight into the workings of commercial law.
- **Legal department of Budget Energy 2015** - My administrative duties in this post consisted of drafting legal letters, printing the moff and posting them out to customers.
- **London Law Tour 2016** - Selected from my class to visit a number of the most prestigious commercial law firms for a week in London. Participated in numerous activities, such as drafting arguments and dispute resolution exercises. Networked with many solicitors.
- **Patterson Rocks** - I also shadowed solicitor Fionnuala Maguire. I help her fill out legal aid forms, shadow her to the courts, and help her to organise her case files.
- **Degree Plus** - I have achieved extra-curricular qualifications in both the Peer Mentoring programme in the QUB School of Law, as well as the QUB School of Law Street Law programme in which I had to teach legal concepts to school children. I will achieve my Study USA qualification in the summer of 2017.

**Skills and Qualities:**

I believe that maintaining moral integrity and displaying compassion is an essential ingredient in growing as a person, as well as an employee. I listen and show respect to every individual. I'm also a hard-working and diligent individual. Striving to work to the best of my ability enables me to maintain a motivated and determined attitude at all times. My transferable communication skills which have been greatly enhanced by working with the public via both my part time job and my peer mentoring position both in high school and university have benefited me greatly in everyday life. It is my belief that to display initiative is a key way to be successful, and has enabled me to work on both successfully on an individual basis as well as in a team.

- References:**
- Fionnuala Maguire - Employer, Patterson's Solicitors, Newry (07547567972)
  - Sionainn McConville - Manager, Poundstretcher Lurgan (0283 8346508)

# Experiential CV



47% of diners take photos. It's about self identity and building social capital

# Food trucks



# The foodie culture

Culinary food & beverage  
discovery & adventure

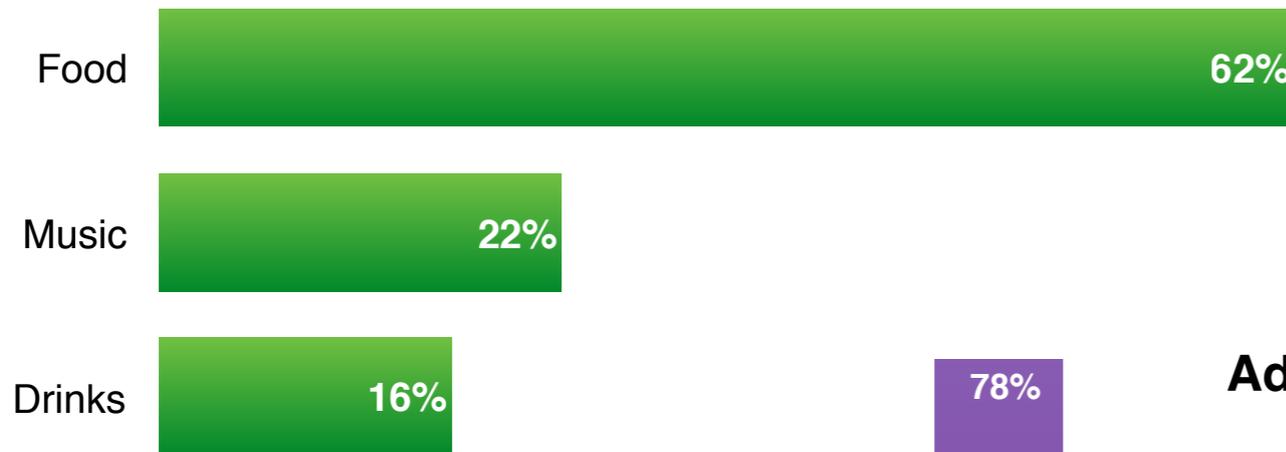


Sharable experience



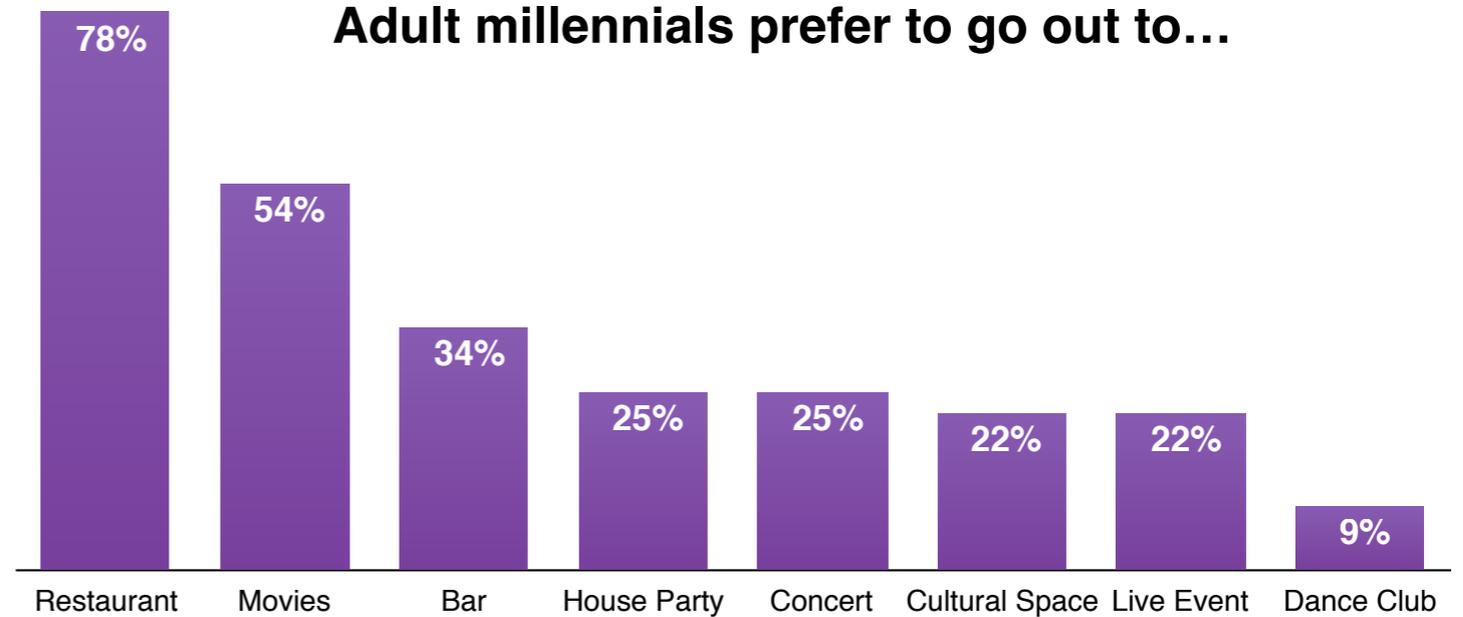
# Food & drink is now entertainment

For adult millennials, a good night out is more about the...



Source: YPulse

Adult millennials prefer to go out to...



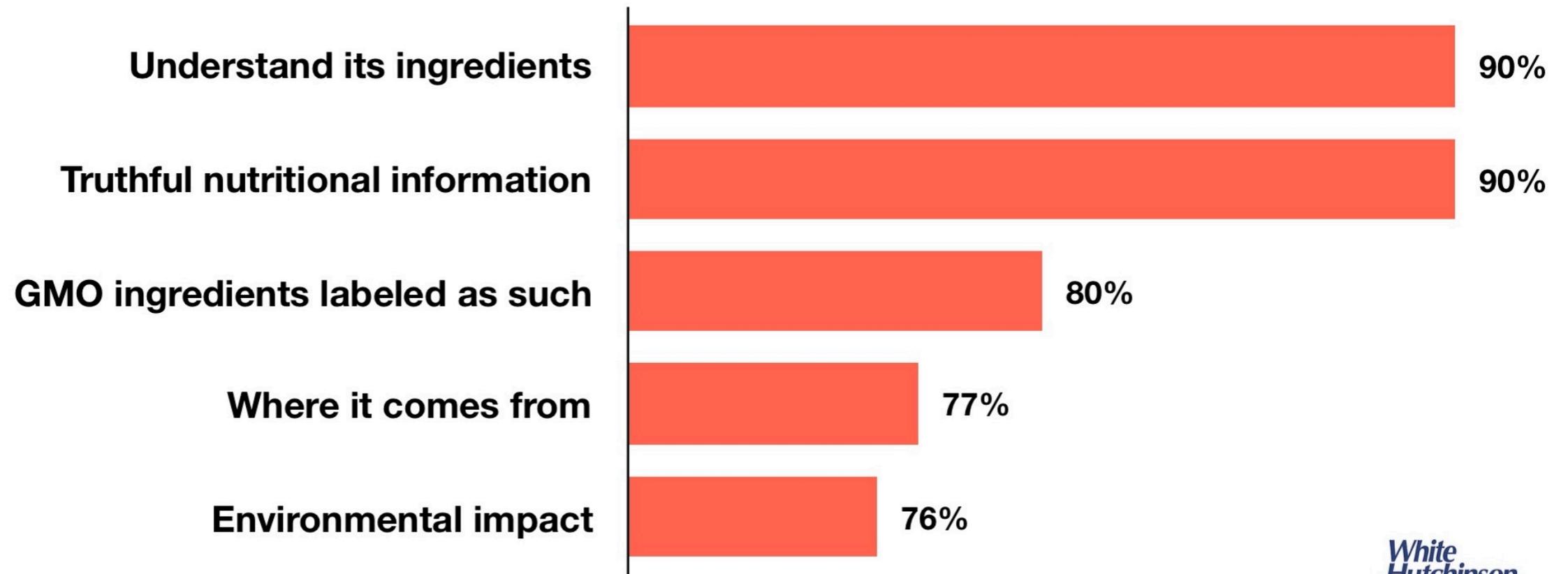
Source: Ypulse



Consumers are willing to splurge -  
pay a premium price for what is considered an affordable luxury



# What people want to know about their food



Source: *Consumer Food Beliefs and Behaviors*, The James Beard Foundation, October 18, 2017

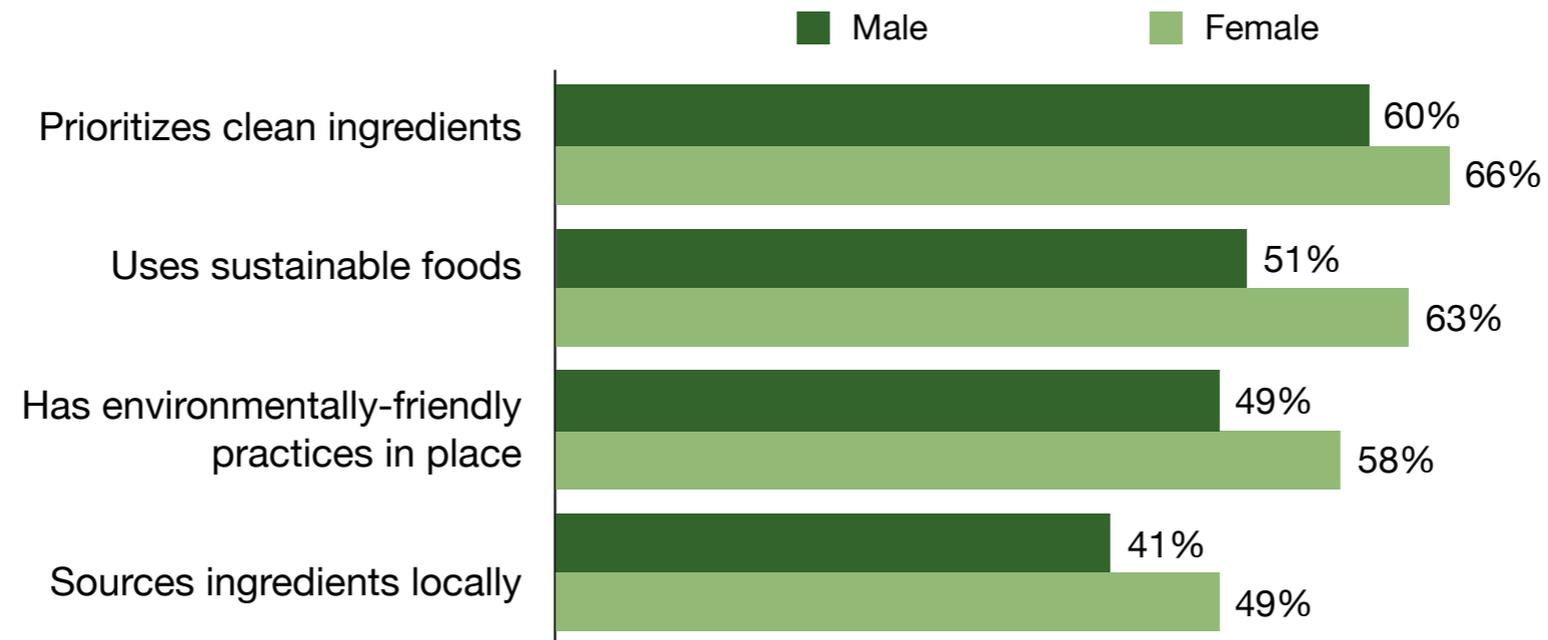




Will pay a premium for local as considered both sustainable and healthier

# The importance of clean eating

“How important or unimportant are the following in creating a good value at restaurants or other foodservice locations?”



Source: Technomic's "2017 Value & Pricing Consumer Trend Report" n = 1,500

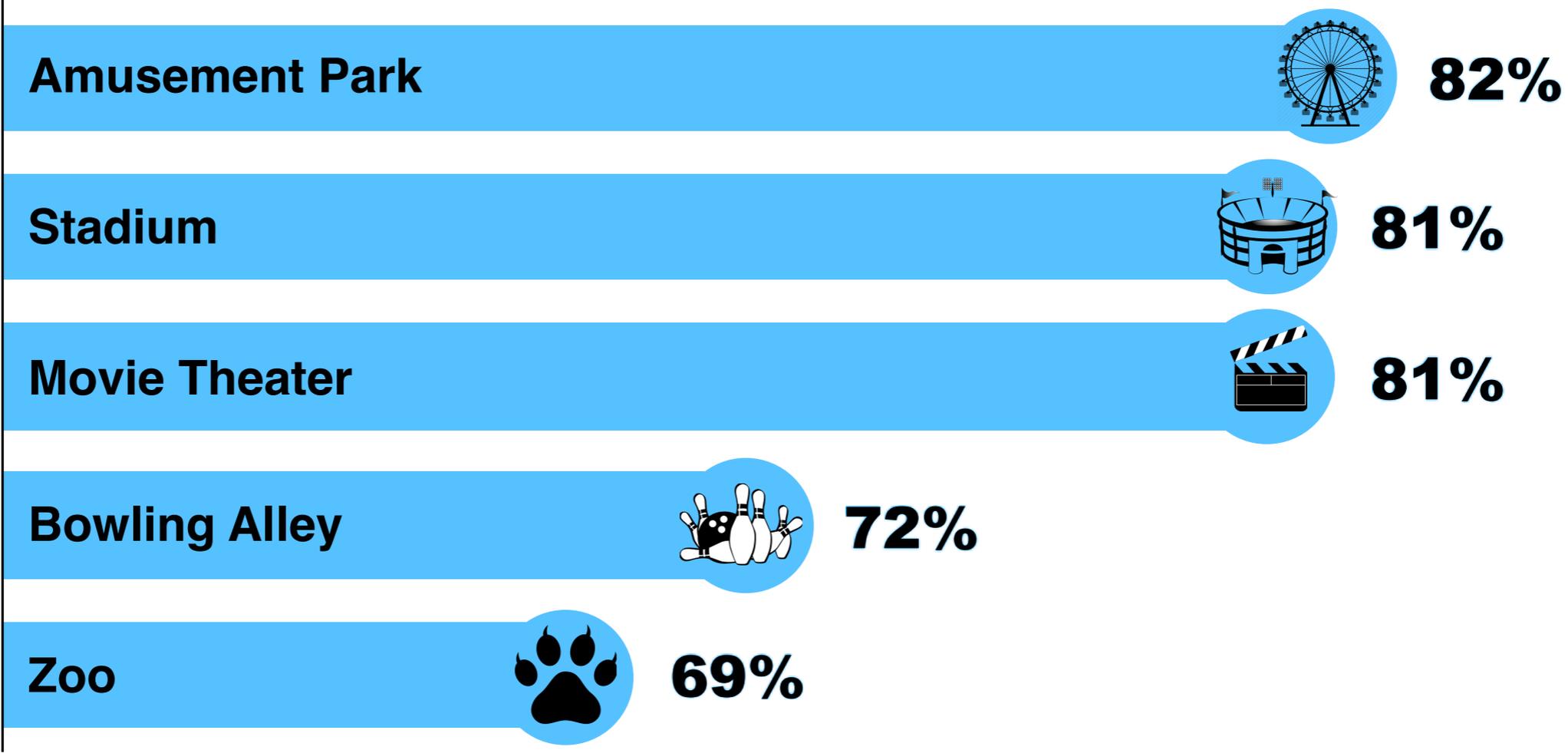


# Food preferences

Non-GMO Food Waste **Healthful**  
Sustainable **Recycle** Pasture Raised **Fair Trade**  
**Low Calorie** Clean Food **Whole Grain**  
Have it my way **Smaller Portion Size** **Vegetarian**  
Socially Responsible **Low Fat** **Allergens**  
**High Fiber** Natural Artisan **Locally Grown**  
Antibiotic Free **Organic** **Low Salt**  
**Less Meat** Local **Antioxidants**  
**Probiotics** **Fresh** **Gluten Free** **Humanly Raised**  
Responsibly sourced **Feel Good Food** **No Trans Fat**  
**Low Carb** **Flexitarian** **Handcrafted** **Vegan**  
**Alternate Proteins** **Sustainably Raised** **Calories** **Fresh** **Low/No Sugar** **Free Range**

# Food is important at entertainment & sports venues

*of those who purchased food at the venue, % agreeing that the food is a part of their experience*



*Source: Datassential's Lodging & Recreation Keynote Report*

- ☑ 94% of consumers purchased food on their last visit to a entertainment-recreation venue
- ☑ 74% of consumers want regional foods at entertainment-recreation venues
- ☑ 70% of theme park visitors said they love to order foods & beverages they never eat anywhere else

Source: Datassential's Lodging & Recreation Keynote Report, November 2017

# Sports fan experience



- 42% have abandoned concession lines because wait was too long
- \$20 - amount they would additionally spend on F&B if line wait times cut in half
- on 1-10 scale, food and beverage has a importance of 7.8 to overall experience
- Slow service - or even its perception - deters more food and beverage purchases

# Queue line design



A well defined queue line



Clear signage on where to enter



Make it a single line



A well-defined pickup point

order here

pickup here





**Country Bakery**



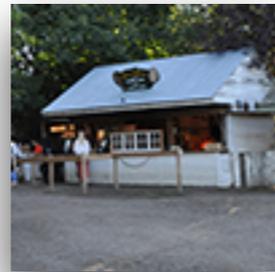
**Cobs & Dogs**



**Pirate's Cove Grub & Grog**



**The Pie Barn**



**Legs & Cakes Smokehouse**



**Potato Patch Cookery**



**Pork Chop Annie's**



**Grandpa's Kettle Corn**



**Cookie Coop**

- Time-out Turkey legs
- Farmer Jack's Pizza Shack
- Spice it Up
- Big Barn Bakery

- Kirsten's Coffee House
- Kyla's Ice cream Shop and Caramel Apple Barn
- Harvest Barn Donuts
- Slushie Station

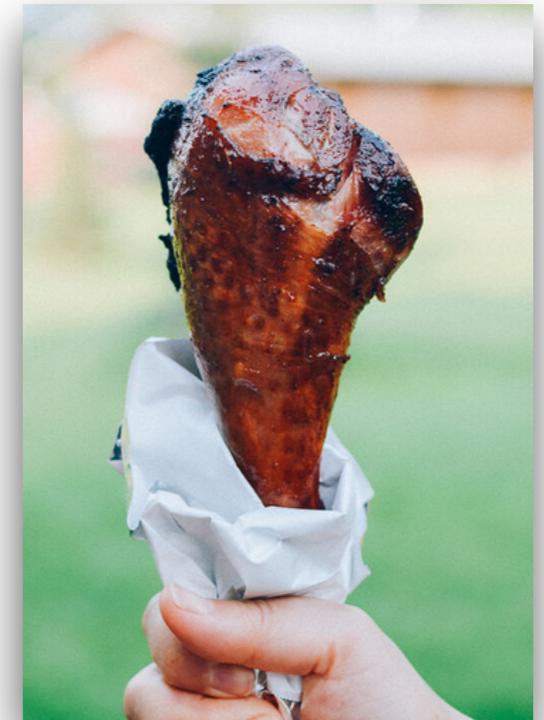
- Lolo's Fudgery & Popcorn Shop
- Kelsey's Sweet Shop
- Sundown Marshmallow Roast
- Chuck Wagon Soda

# Exhibition cooking

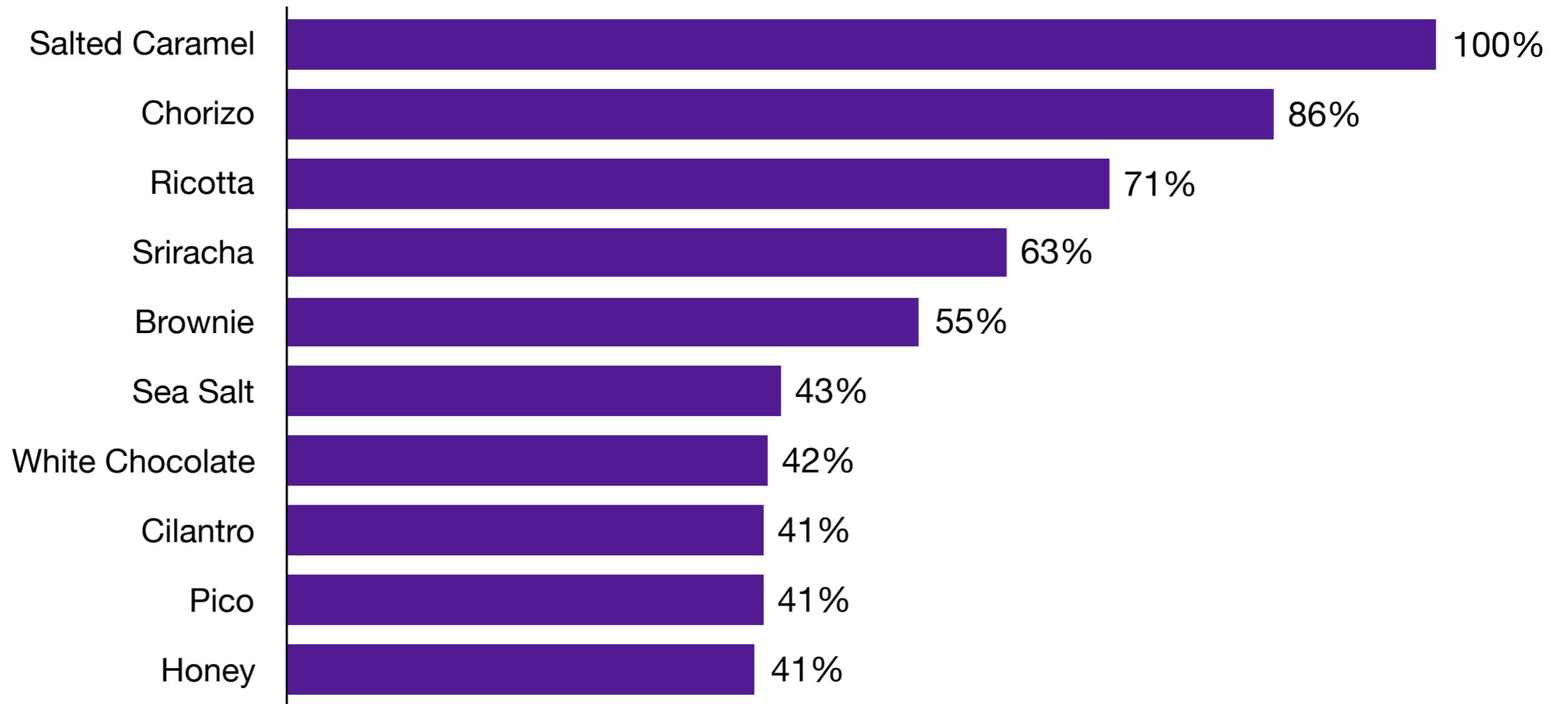




# Popular foods

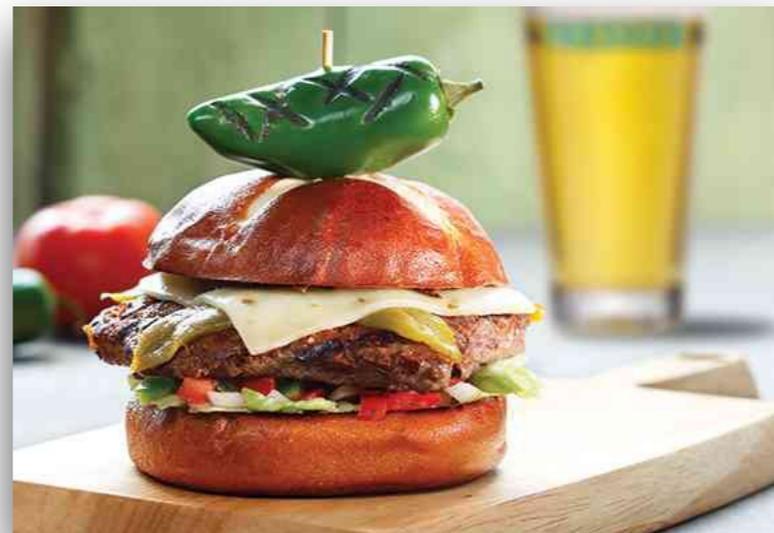


# Fastest growing flavors at recreation facilities

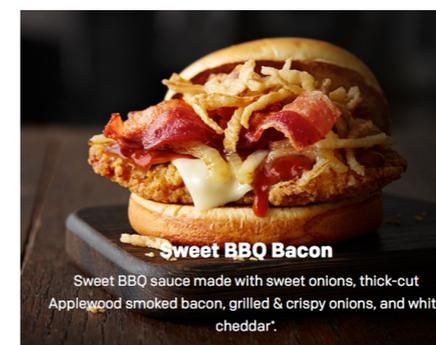


Source: Technomic, Survey July 1-September 30, 2017 compared to same dates in 2016

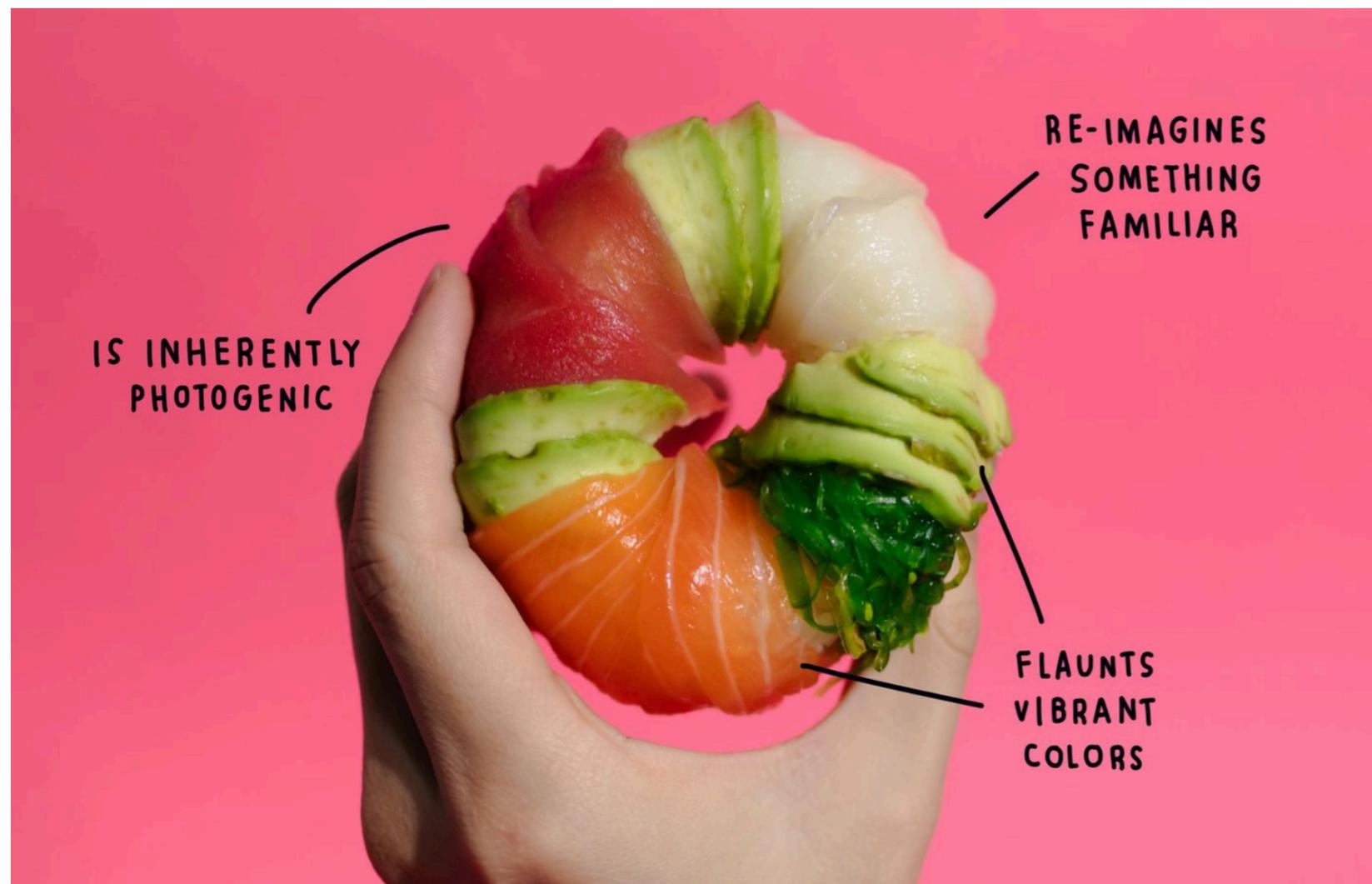
# Premium burgers



## Signature crafted sandwiches



# The art of viral food



# Food Beer Wine Music



# Per capita food & beverage sales



Food & beverage on-site

\$6 - \$8



Take-home food

\$1 - \$3

# Food & beverage prime cost

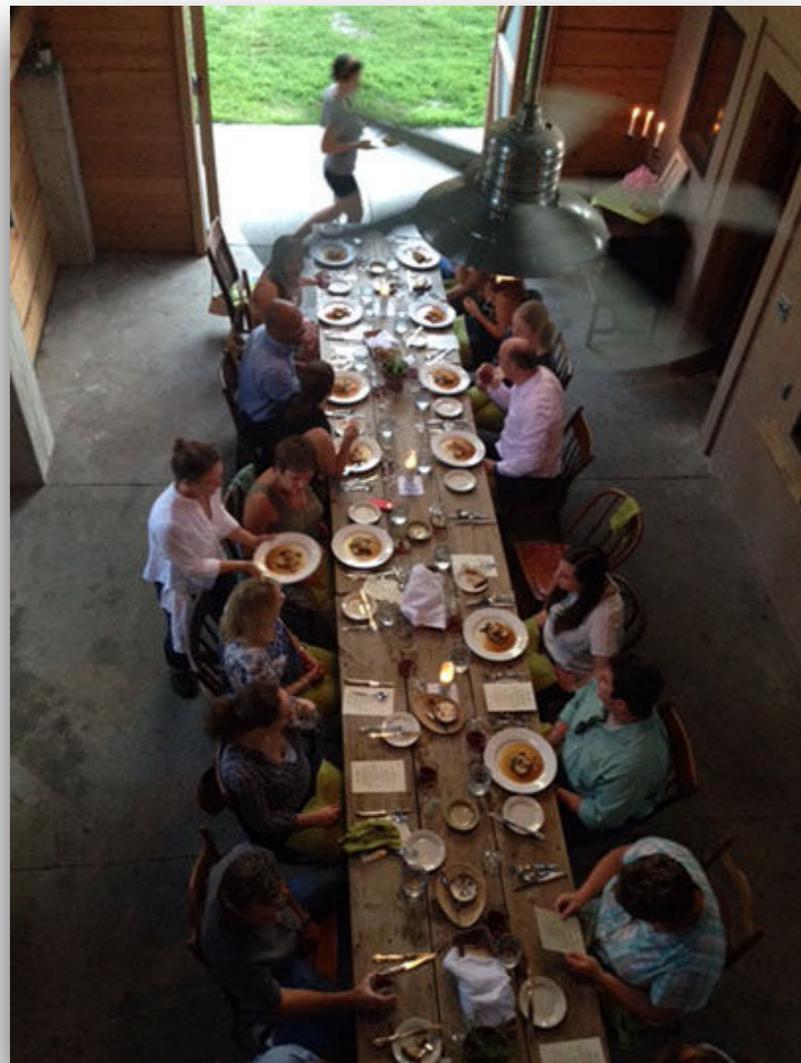
Example of Calculating Prime Cost		
Sales	\$50,000	100%
F&B COGS	\$15,000	30%
Payroll:		
Salaried	\$4,000	8%
Hourly	\$9,000	18%
Payroll Taxes	\$2,000	4%
Benefits	<u>\$500</u>	<u>1%</u>
Total Labor Cost	\$15,500	31%
<b>PRIME COST</b>	<b>\$30,500</b>	<b>61%</b>

COGS Formula Example	
Beginning inventory	\$15,000
Plus purchases	\$4,000
Less ending inventory	<u>(\$14,000)</u>
Cost of Goods Sold	\$5,000
F&B revenues	\$19,000
COGS percentage (COGS ÷ revenues)	26.30%

# Calculating menu prices

Menu Pricing/Cost of Goods Sold (COGS) Worksheet					
				Menu Item:	<i>Hot Dog on Roll</i>
Ingredients	Product Cost	Size	Units	Item Size	Item Cost
Hot Dogs	\$10.00	4 Pounds	5 per lb.	1	\$0.50
Rolls	\$11.50	Case	72	1	\$0.16
Plate	\$15.20	Case	520	1	\$0.03
Napkins					\$0.04
Condiments					\$0.05
			<b>Total</b>		\$0.78
			<b>Waste</b>	5%	\$0.04
				<b>Cost</b>	\$0.82
				<b>Maximum COGS</b>	30%
				<b>Minimum Price</b>	\$2.73
				<b>Selling Price</b>	\$2.89
				<b>COGS</b>	28.3%

# Farm to farm-table dinners



## **Recommended magazines:**

Nations Restaurant News (weekly)

Pizza Today (monthly)

QSR (monthly)

Restaurant Business (monthly)

Restaurants & Institution (monthly)

Restaurant Startup & Growth (monthly)

Pizza Marketing Quarterly

Market Watch (monthly)

Catersource (monthly)

Flavor & The Menu (monthly)

Bar Business (monthly)

## **Recommended e-newsletters:**

Restaurant SmartBrief

BurgerBusiness.com

FS Insider

## **Recommended membership & trade shows:**

National Restaurant Association

Various pizza shows

# The End



## Questions?

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Randy White is CEO of the White Hutchinson Leisure & Learning Group. The 28-year-old company has worked for over 500 clients in 34 countries throughout the world. Randy personally oversees the work of all the company's projects and is considered to be one of the world's foremost authorities on feasibility, brand development, design and production of location-based leisure and entertainment venues.

Since 1994, Randy and his company has worked for over 30 of the country's leading agritainment/agritourism facilities including initial feasibility and concepts, full design, and consulting on growing their businesses, including expansion design and food and beverage operations.

One of the company's edutainment projects was featured in the book *The Experience Economy*. Numerous national newspapers and magazines, including Time magazine, the Wall Street Journal, USA Today and The New York Times have interviewed and quoted Randy as an expert on entertainment, edutainment and eatertainment. He was featured on the Food Network's Unwrapped television show as an eatertainment expert and received recognition for family-friendly designs by Pizza Today magazine.

Over 100 of Randy's articles have been published in leading entertainment/leisure/agritainment industry publications and he has been a featured keynoter and speaker at over 30 different leisure industry conventions around the world.

Randy can be reached at [randy@whitehutchinson.com](mailto:randy@whitehutchinson.com), via the company's website: [whitehutchinson.com](http://whitehutchinson.com) or at 816.931-1040, ext 100 Central Time when he's not traveling.